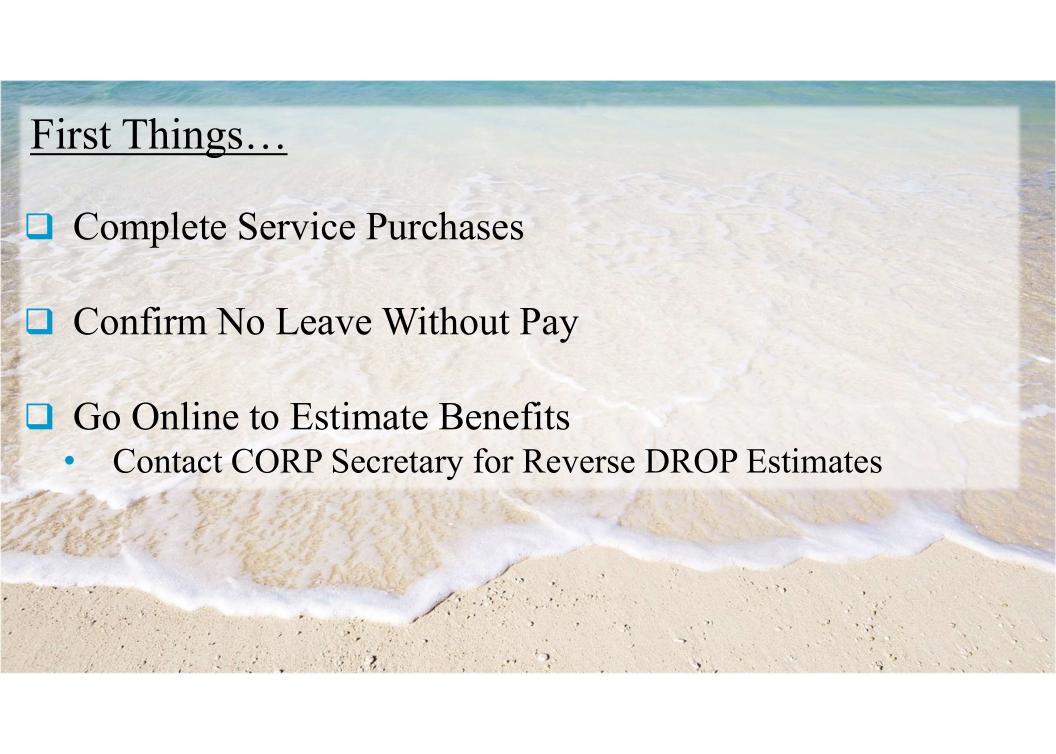


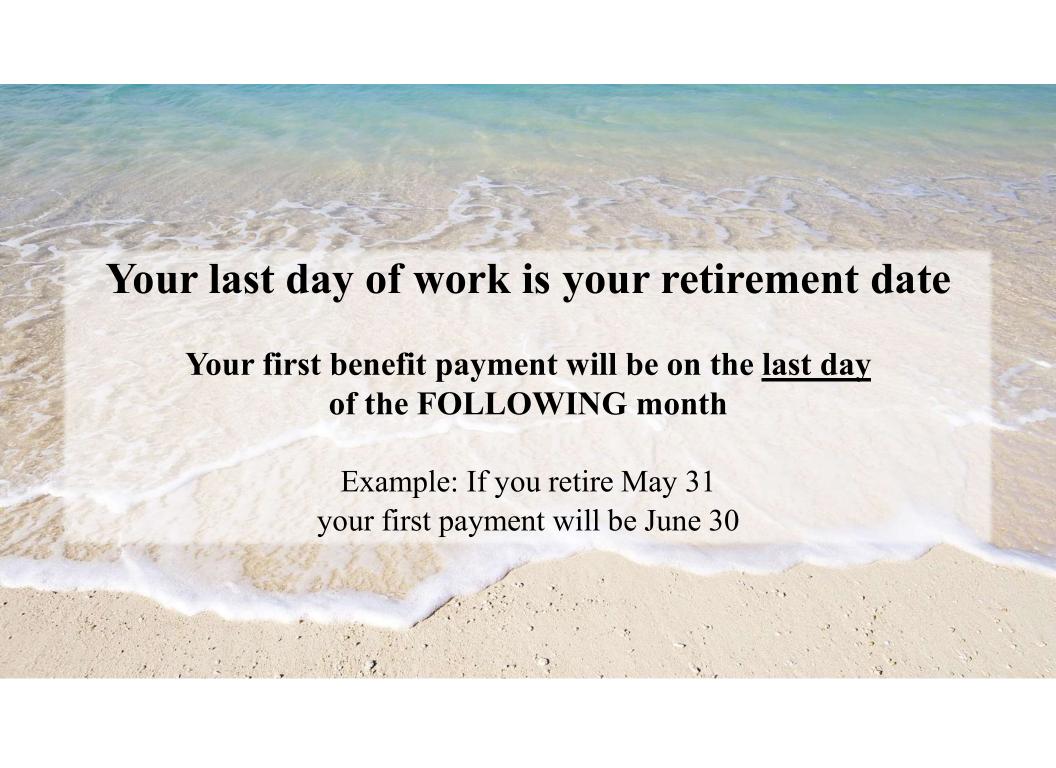
### The Future is Now...

- Pre-Retirement
- Reverse DROP
- ☐ The Retirement Process
- Taxes
- Health Insurance
- Work After Retirement
- Survivor Benefits
- Resigning Before Retirement
- Questions



# Reverse Drop...

- One-time lump sum payment (1-60 months) at the time of retirement in addition to your monthly retirement benefit
  - Must retire to receive Reverse DROP
  - Credited service cannot go below 24 years
  - Monthly benefit will be reduced
  - Lump sum deposited into Nationwide Account
    - Consider taxes / consult a financial professional (<a href="https://galloway911.com/">https://galloway911.com/</a>)



### When You're Ready...

- Contact CORP Secretary 60 days in advance for Input Form
- ☐ Formal application will be mailed when Input Form received
  - Must be signed, initialed and witnessed -- originals returned
- ☐ You will need copies of:
  - Your birth certificate
  - Your marriage license
  - Your Spouse's birth certificate
  - Your dependent children's birth certificates
  - Voided check
  - Your driver's license
  - Divorce decree (if applicable)

# What Happens Next...

- C-12 Final Benefit Calculation
- Local Board Meeting
- ☐ Retirement Package to Public Safety

#### **REMINDER:**

Your first benefit payment will be on the <u>last day</u> of the FOLLOWING month

#### Taxes...

- Unless you elect otherwise, Federal law requires:
  - Withholding of taxes based on married with 3 exemptions
- ☐ Arizona requires retirees to pay income tax on benefits paid in excess of \$2,500/year
- ☐ Tax forms are included with the Formal Retirement Application
- □ Retirees receive a 1099R from Public Safety—not a W-2
- Recommend consulting with a tax professional

#### Health Insurance...

- Subsidy is based on insurance coverage type
- Medical and dental are both included
- ☐ How to apply:
  - Visit: <a href="http://www.psprs.com/corrections-officer/retiree/health-insurance">http://www.psprs.com/corrections-officer/retiree/health-insurance</a>
  - Retiree completes enrollment form from employer (HR)
  - Employer sends enrollment form to Public Safety
  - Retiree contacts Public Safety directly to follow up:
    - retiredmembers@psprs.com
    - 602.255.5575

### Working After Retirement...

- □ Return to work in a CORP position 12 months after retirement.
  - No contributions to CORP
  - No credited service
  - CORP employer must pay an alternate contribution rate
- ☐ Pension will be suspended if 12 month waiting period has not been met
- CORP Local Board must approve all members returning to work

### Survivor Benefits...

#### **ACTIVE MEMBERS**

- Surviving spouse\* receives 40% of member's pension for life
- Spouse\* receives 100% of member's pension for life if the member was killed in the line of duty
- Surviving children receive 40% of member's pension if no spouse IF:
  - Under 23 years old
  - Unmarried
  - Full-time student
- 2x member's contributions go to beneficiary if no spouse or children

#### **RETIRED MEMBERS**

- Surviving spouse\* receives 80% of member's pension for life
- Surviving children receive 80% of member's pension if no spouse IF:
  - Under 23 years old
  - Unmarried
  - Full-time student
- Balance of member's contributions (less what has already been paid out) goes to beneficiary if no spouse or children

\*must be married at least two years at time of member's death

# Resigning Before Retirement...

- ☐ Transfer your contributions to another CORP employer
- ☐ Transfer your contributions to another retirement plan or municipal retirement plan
- Request a Refund of Contributions. If you elect a refund, you waive any and all rights to CORP benefits such as pension, disability, health insurance and survivor benefits
- Leave your contributions on account to provide a death benefit payout
- Leave your contributions on account and, if eligible, receive a Deferred Annuity.

#### Contact Information...

#### **Main CORP Website**

http://www.psprs.com/corrections-officer/

All current retirement information

#### **Members Only Website**

http://www.psprs.com/members-only/

Your personal CORP account information

#### **CORP Local Board Website**

https://www.azcourts.gov/CORP

- Local Board information:
  - Meetings
  - Updates
  - Members

**Public Safety Retirement System** 

602.255.5575

activemembers@psprs.com retiredmembers@psprs.com